

**LIQUIDATION ANALYSIS
JAMES DOUGLAS BUTCHER**

Attached to this Exhibit is a chart showing a liquidation analysis.

If the Debtor is converted to a chapter 7 case, the liquidation amount that may be available to creditors will be minimal. The Debtor has an estimated amount of \$2,492,473.30 in alleged secured claims and approximately \$3,856,831.01 in unsecured claims. The Debtor has minimal, if any, non-exempt assets that are not collateral for debts or that are not solely managed community property of his non-filing spouse. Under section 541(a)(2)(A) of the Bankruptcy Code, the properties that are under the sole management and control of the spouse of the Debtor are not property of his bankruptcy estate.

In a liquidation, the Debtor would have the cost of an attorney and an accountant and other professions to liquidate the assets.

Debtor is an individual that conducts martial arts classes and consulting services for real property management and operations. The Debtor also receives Social Security and VA disability.

In a liquidation, the Debtor does not believe that there would be any assets available for unsecured creditors. The non-exempt property is comprised mostly by cash and deposits of money as of date of filing. In a liquidation that property would likely only cover part of the administrative expenses.

A liquidation will have a significant adverse effect on the Debtor. **The analysis shows that no amounts will remain for any unsecured claims in a liquidation.**

The Debtor believes that payments in a chapter 11 case will be significantly better for unsecured creditors than a liquidation in a chapter 7 case.